

5.8 SOCIOECONOMICS

This section describes the potential socioeconomic impacts of the Palomar Energy Project. The section addresses project-related and cumulative impacts to population, housing, services and utilities, tax revenues, and overall economic benefit to the region.

5.8.1 Affected Environment

As outlined in the CEC regulations, the focus areas for the socioeconomic analysis are population, housing, schools, utilities, emergency/public services, employment, and fiscal resources. Before analyzing each focus area individually, it is important to understand the socioeconomic study area as a whole.

5.8.1.1 Project Area

The area of primary potential socioeconomic impacts (the socioeconomic study area) for the Palomar project includes three incorporated communities located within a 10-mile radius of the project site. This 10-mile radius encompasses an urbanized area with a population of over 250,000. The location of the study area is illustrated in Figure 5.8-1.

The communities within a 10-mile radius of the Palomar site include the cities of Escondido, San Marcos, and Vista. Smaller unincorporated communities also lie within the project area, including Twin Oaks, Hidden Meadows, Rancho Bernado, Rancho Sante Fe, Fairbanks Ranch, Harmony Grove, Jesmonde Dene, and Del Dios.

The City of Escondido is a diverse community of approximately 128,000 residents (San Diego Association of Governments, 2001). The City's population is approximately 64 percent Caucasian, 30 percent Hispanic, one percent African-American, and five percent Asian/other (San Diego Association of Governments, 2001). The City's economic base is made up primarily of small businesses (City of Escondido Profile, 2001). Median household income in the year 2000 was \$42,262 (San Diego Association of Governments, 2001).

The City of San Marcos is the smallest of the three incorporated cities within the study area, with a population of approximately 54,000 (San Diego Association of Governments, January 2001). San Marcos' population is approximately 62 percent Caucasian, 32 percent Hispanic, two percent African-American, and four percent Asian/other (San Diego Association of Governments, 2001). The City's economic base rests in large part on the software and computer service industries (San Diego Association of Governments, 2001). Median household income in 2000 was \$43,522 (San Diego Association of Governments, 2001).

The City of Vista has a population of approximately 86,000 (San Diego Association of Governments, 2001). Its population is approximately 61 percent Caucasian, 31 percent Hispanic, four percent African-American, and five percent Asian/other (San Diego Association of Governments, 2001). The service industry is the primary employer in the city

Figure 5.8.1 Socioeconomic Study Area

(San Diego Association of Governments, 2001). Median household income in 2000 was \$43,647 (San Diego Association of Government, 2001).

San Diego County is the second fastest growing county in California and the second most populous of California's 58 counties. It ranks 16th in population of all metropolitan areas in the United States. San Diego County has a population of slightly over 2,900,000 million people, of whom 25 percent of whom are Hispanic, 60 percent are white, six percent are African-American, and 10 percent are Asian/Pacific Islander. The primary employers in the County are the services, retail trade, and government sectors.

5.8.1.2 Population

San Diego County had a January 2000 population of slightly over 2,900,000 persons. This represents a 16.6 percent increase in the County's population since 1990, when the population stood at 2,498,000. The median age of County residents is 33.6 years. The population of San Diego County is projected to reach 3,223,474 by the year 2005, 3,437,697 by the year 2010, and 3,853,297 by the year 2020. Projected growth by 2020 would represent a 44 percent population increase from the 1995 level (San Diego Association of Governments, 2000).

The Cities of Escondido, San Marcos and Vista combined, represented about 9.2 percent of the total January 2000 population of San Diego County. The majority of the residents of each of the three communities are between the ages of 25 and 34. The populations of Escondido, San Marcos and Vista are expected to climb to 143,228, 91,557, and 103,316 respectively, by the year 2020 (San Diego Association of Governments, March 2000). Table 5.8-1 shows the existing and projected population levels for the primary communities of the socioeconomic study area and the County as a whole.

Table 5.8-1 Population Breakdown by Community for the Years 2000, 2005, and 2010

Community	Population January 2000	Projected Population Year 2005	Projected Population Year 2010
Escondido	127,813	136,211	140,490
San Marcos	53,938	67,453	75,356
Vista	85,659	95,616	101,364
San Diego County Total	2,911,468	3,223,474	3,437,697

Source: San Diego Association of Governments, 2001

5.8.1.3 Housing

As of January 2000, San Diego County had an estimated 1,039,089 housing units (single-family, multi-family, and mobile homes) and a vacancy rate of 6.2 percent (San Diego Association of Governments, 2000). Of this total, an estimated 49,874 housing units were located in Escondido, 22,713 in San Marcos, and 29,623 in Vista. January 2000 vacancy rates in these communities ranged from about 6.1 percent (Escondido) to 7.2 percent (Vista). In

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Escondido, the largest city in the study area, the median cost of a home was \$190,000 in 2000. This is approximately 13.6 percent less than the countywide median home price. The median cost for a condominium in Escondido was \$120,000 in 2000; the average rental rate for a three-bedroom unit was \$833 per month (City of Escondido Profile, 2001).

As of April 2001, there were an estimated 50,784 motel/hotel rooms in San Diego County (San Diego Convention and Business Bureau, 2001). As of February 2001, the percent occupancy within motel/hotels in San Diego County was 74.3 percent, which represents an increase of 4.6 percent from February 2000. As of February 2001, the average room rate at San Diego County hotel/motels rooms was approximately \$107 (San Diego Convention and Business Bureau, 2001). In the City of Escondido there are 14 hotels/motels, with a total of 466 rooms. San Marcos has four hotels/motels with a total of 176 rooms, while Vista has two motels with 178 rooms. Hotel/motel occupancy rates were not available for the smaller communities in San Diego County (California Hotel and Motel Association, 1994). Housing resources in the nearby communities are listed in Table 5.8-2.

Table 5.8-2 Housing Characteristics in Study Area Communities ¹

County/City	Housing (units)	Vacancy Rate (percent)	Estimated Motel/ Hotel Rooms
Escondido	49,874	6.1	466
San Marcos	22,713	6.7	176
Vista	29,623	7.2	178
San Diego County Total	1,039,089	6.2	50,787

Sources: San Diego County Association of Governments, January 2000; San Diego Convention and Business Bureau, 2001.

¹ Housing data for January 2000; hotel/motel data for April 2000.

5.8.1.4 Schools

As of 1999, there were 26 elementary, 6 high school, and 11 unified school districts within San Diego County, with a total of 390 elementary, 74 middle, 6 junior and 63 high schools (California Department of Education, Educational Demographics Unit, 2001). Within a 10-mile radius of the project site there are a total of five school districts with schools. In the fall of 1999, total enrollment within these five districts was approximately 68,400 students.

Escondido is served by three school districts: Escondido Union Elementary, Escondido High, and San Pasquel Union Elementary. The Escondido Union Elementary School District operates 14 elementary schools, four middle schools, and one special education school. Student enrollment during the fall of 1999 was 18,700. The Escondido High School District operates four high schools, one charter high school, and one alternative high school. Student enrollment during the fall of 1999 was 9,031. San Pasquel Union Elementary operates one elementary school, with a fall 1999 enrollment of 413.

San Marcos is served by the San Marcos Unified School District. This district operates nine elementary schools, two middle schools, one high school, and an alternative high school. Student enrollment during the fall 1999 was 12,105.

Vista is served by the Vista Unified School District. This district includes 13 elementary schools, four middle schools, three high schools, one continuation school, two alternative schools, and one special education school. Student enrollment during the fall of 1999 was 28,173.

A profile of the school districts within the study area is presented in Table 5.8-3.

Table 5.8-3 School District Profiles

District	Number of Schools	% Change Since 1998
Escondido Union Elementary	19	1.2
San Pasquel Union Elementary	1	18.4
Escondido Union High	5	8
San Marcos Unified	13	1.7
Vista Unified	27	1.9

Source: San Diego County of Superintendents of Schools, Fall 1999 enrollment data; Education Data Partnership, May 2001.

An analysis of student enrollment data for the school districts located within the study area for the years 1993 to 1999, indicates that the school districts grew at an average rate of approximately 4.6 percent. This compares to the state average of two percent for the same timeframe. However, both the Escondido Union High and the San Pasquel Union Elementary enrollment rates far exceeded the state average, with growth rates of eight percent and 18.4 percent, respectively.

In addition to the school districts summarized above, the project area has one community college and one university. Palomar Community College is located in San Marcos, and has an enrollment of approximately 27,000 students. The California State University system also has a campus in San Marcos, with an enrollment of approximately 5,800 students.

5.8.1.5 Utilities

Potable water for the Palomar project will be provided by the Rincon del Diablo Municipal Water District; power plant process water and wastewater service will be supplied by the City of Escondido's Hale Avenue Resource Recovery Facility (see Section 5.4, Water Resources). Natural gas service will be provided by SDG&E (see Section 4.0, Safety and Reliability).

5.8.1.6 Emergency and Other Public Services and Facilities

Fire protection to the project will be provided by the Escondido Fire Department, Station One, 310 Quince Street, Escondido. This station is located approximately two miles northwest of the project site. Station One is staffed with one full-time Captain, full-time engineers, and

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five firefighters and is equipped with two Type 1 engines, one truck company with a 100-foot area ladder, and one paramedic unit. The station has a response area of 50 square miles. Back-up personnel and equipment are available, if required, from four other fire stations located throughout the city. Current capabilities within the Department include six engine companies, one truck company, and three paramedic ambulances (Escondido Fire Department, 2001).

Emergency medical service will be provided to the project by Palomar Hospital in Escondido, located approximately 2.5 miles east of the project site. Palomar Hospital has 320 beds and is equipped with a 24-bed emergency room. Ambulance service will be provided by one of four private companies in Escondido or the Escondido Fire Department. The four ambulance companies that serve the project area include Care Ambulance, Priority One, American Medical, and Americare Ambulance. In the event of an emergency, response time would be approximately 10 minutes, and transportation to the hospital would be approximately 10 minutes.

The City of Escondido will provide police service to the project. The Police Department has one station at 700 West Grand Avenue, Escondido; this facility serves a 50-square mile area. The Department has 255 sworn, non-sworn, and civilian employees (Escondido Police Department, 2001).

Although the City of Escondido Police Department is the primary police agency in the immediate project area, the California Highway Patrol (CHP) would assist in an emergency situation under mutual aid protocol. The nearest CHP office to the Palomar site is located at 1888 Oceanside Boulevard, Oceanside, approximately 20 miles northwest of the project site. The Oceanside station has approximately 60 uniformed staff. The CHP department in Oceanside has 28 vehicles; typically, six units are on the day shift, eight units on the afternoon shift, and three units on the night shift. Each unit consists of one officer, with the exception of the night shift, when there are two officers per vehicle. The emergency response time to the Palomar site would depend on where the units are located during the shift (CHP, 2001).

5.8.1.7 Employment and Economy

Services, retail trade and government dominate San Diego County's economy. Projections of nonfarm employment indicate that the same three industrial sectors will continue to grow, and will account for more than 72 percent of the 186,700 additional jobs that have been forecasted for the period 1997 to 2004. Within the services sector, job growth for the period of 1997 to 2004 is expected to be 27 percent. Within the retail sector, job growth for this same period is expected to be 12.9 percent, while within the government sector, job growth for the same period is expected to be 9.2 percent (County of San Diego, 2001). Table 5.8-4 presents employment data for the primary study area communities and for San Diego County as a whole.

**Table 5.8-4 Employment Characteristics of Communities in the Project Area
(September 1998)**

County/City	Labor Force	Total Employment	Number Unemployed	Unemployment Rate
Escondido	64,040	62,290	1,750	2.7
San Marcos	21,870	21,310	560	2.5
Vista	39,690	38,490	1,200	3
San Diego County Total	1,412,100	1,374,700	37,400	2.7

Source: California Employment Development Department, 2001.

5.8.1.8 Fiscal Resources

The total net assessed value of properties in San Diego County for fiscal year 1999 to 2000 was approximately \$182 billion (County of San Diego Assessors Office, 2001). The total tax revenue on secured properties collected in the same period was roughly \$1.5 billion (County of San Diego, Tax Collector, June 2001). The total net assessed value of properties located within the City of Escondido for the fiscal year 1999 to 2000 was \$6.4 billion (County of San Diego Assessors Office, 2001). The total tax revenue on secured properties in Escondido collected in the same period was \$6.5 million (County of San Diego Auditors Office, 2001).

All secured property (land and structures) in California is taxed at the rate of one percent of the total assessed value, plus any voter approved debt and special taxes. In San Diego County, the 1999/2000 general property tax rate is 1.06 percent, and within the City of Escondido the tax rate is 1.05 percent (County of San Diego Auditors Office, 2001).

Table 5.8-5 summarizes information from the City of Escondido's annual operating budget (City of Escondido, 2001). The table shows general fund revenues for 2000-01 and projected general fund revenues for 2001-02.

Table 5.8-5 General Fund Revenues - City of Escondido

Revenue Element	2000-01 (Revised) (\$)	2001-02 (Projected) (\$)
Sales Tax	25,200,000	26,700,000
Other Taxes	10,144,500	10,915,000
Permits and Licenses	987,000	987,000
Fines and Forfeits	1,509,000	1,550,000
Intergovernmental	8,341,600	8,705,000
Charges for Services	3,593,800	3,538,000
Interest Earnings	2,100,000	1,400,000

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Community Services	171,500	171,000
Other	2,378,000	2,738,000
TOTAL	\$54,425,400	\$56,704,000

5.8.2 Environmental Impacts

Palomar project construction is anticipated to take approximately 21 months, assuming a single shift, 40-hour workweek. Overtime and shift work may be used to maintain or expedite the construction schedule. Construction employment will increase steadily from the first month, and peaking in the eleventh month of construction at about 350 workers. Table 5.8-6 shows the breakdown of project construction employment by month and by craft.

The Palomar Energy Project is expected to begin commercial operation in 2004. During facility operation, it is expected to employ approximately 20 full-time regular employees. Labor force requirements for plant operations are shown in Table 5.8-7.

The criteria used to evaluate socioeconomic impacts are presented in Appendix G of the California Environmental Quality Act (CEQA) Guidelines. In reviewing whether a socioeconomic impact is significant, the following criteria may be applied:

- Induces substantial growth or concentration of population;
- Displaces substantial number of housing or people;
- Would result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities including fire protection, police protection, schools, parks or other public facilities; and
- Would require the expansion of the capacity of existing utilities and public services which expansion could cause significant environmental impacts.

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Table 5.8-6 Construction Personnel Requirements by Month

Month after Project Award	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
DESCRIPTION																					
GENERATING FACILITY																					
Welders	---	---	---	---	15	25	30	30	30	35	35	40	40	40	40	35	35	30	35	30	20
Carpenters, Bricklayers and Masons	20	20	25	30	30	35	35	35	35	25	20	14	14	14	14	14	14	14	12	10	10
Electricians	12	15	25	25	30	30	30	30	30	30	30	34	34	34	25	25	25	15	15	15	10
Ironworkers	6	10	10	10	15	15	20	20	20	20	14	14	11	10	10	10	10	10	10	10	10
Laborers	55	55	55	50	50	45	45	42	35	35	35	35	30	27	27	23	23	17	17	15	15
Millwrights	---	---	---	5	5	15	15	15	20	20	20	20	20	11	10	6	6	3	3	3	3
Equipment Operators	8	10	15	15	15	15	15	15	15	15	14	12	11	10	10	6	6	6	6	3	3
Plasterers	---	---	---	---	---	---	---	5	7	5	5	---	---	---	---	---	---	---	---	---	---
Painters	---	---	---	---	---	---	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Pipefitters	6	10	12	25	25	45	45	50	50	45	45	45	45	45	45	35	35	35	28	23	23
Sheetmetal Workers	---	---	---	---	---	3	6	6	12	12	12	12	14	14	12	12	10	10	10	6	3
Sprinklerfitters	---	---	---	---	---	---	---	5	7	10	7	7	---	---	---	---	---	---	---	---	---
Surveyors/Designers	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Insulation Workers	---	---	---	---	---	---	5	9	15	18	18	18	14	10	7	7	2	---	---	---	---
Teamsters	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Supervisors, Planners, etc.	20	25	30	30	34	34	34	38	38	38	34	34	34	34	34	34	34	34	28	25	25
Subtotal	131	149	176	194	223	266	287	307	321	315	296	292	274	256	241	214	207	181	171	147	129

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Table 5.8-6. Construction Personnel Requirements by Month (continued)

Month after Project Award	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
DESCRIPTION																					
PIPELINES: NATURAL GAS LINE UPGRADE, WATER SUPPLY AND WASTEWATER																					
Laborers	---	---	---	---	---	---	---	---	---	14	28	28	28	14	14	---	---	---	---	---	---
Welders	---	---	---	---	---	---	---	---	---	2	3	3	3	2	2	---	---	---	---	---	---
Pipefitters	---	---	---	---	---	---	---	---	---	2	3	3	3	2	2	---	---	---	---	---	---
Equipment Operators	---	---	---	---	---	---	---	---	---	6	11	11	11	5	5	---	---	---	---	---	---
Foremen	---	---	---	---	---	---	---	---	---	4	8	8	8	4	4	---	---	---	---	---	---
Teamsters	---	---	---	---	---	---	---	---	---	1	1	1	1	1	1	---	---	---	---	---	---
Supervisors Etc.	---	---	---	---	---	---	---	---	---	1	2	2	2	1	1	---	---	---	---	---	---
Subtotal	---	---	---	---	---	---	---	---	---	30	56	56	56	29	29	---	---	---	---	---	---
Grand Total	131	149	176	194	223	266	287	307	321	345	352	348	330	285	270	214	207	181	171	147	129

Table 5.8-7 Plant Operation Workforce

Department	Personnel	Shift	Workdays
Operations	9 Operating Technicians	Rotating 12-hour shift, 3 operators per shift	7 days a week.
	1 Engineer	Standard 8-hour days	5 days a week
Maintenance	3 Maintenance Technicians	Standard 8-hour days	(Maintenance Technicians will also work unscheduled days and hours as required)
Administration	7 Administrators:	Standard 8-hour days	5 days a week with additional coverage as required.
	1 Operations Supervisor		
	1 Planning/Contracts Coordinator		
	1 Plant Manager		
	2 Clerical		
	2 Contractors		

5.8.2.1 Potential Construction-Related Impacts

Construction Impacts on Population

Construction workers must commute to changing job locations, and the job sites often are not near their homes. Construction workers who live in communities at distances greater than about a two-hour one-way commute, tend to relocate to the vicinity of the construction site for the work week, then return to their homes on weekends (Jacobson, 2001). Because of the size of the force in San Diego County (over 1.4 million, with a workforce in the skills needed for power plant construction of over 70,000), it is considered likely that about 90 percent of project construction jobs will be filled by workers commuting daily from within San Diego County. Thus, Table 5.8-8 shows the maximum numbers of workers required by craft for project construction compared to the total projected number of workers in these crafts in San Diego County. Representatives of the San Diego Building Trades Council indicate that the County's construction labor force can meet project needs for the various trades and crafts needed in project construction (Jacobson, 2001).

A small number of workers (e.g., specialized trades) may come from other locations, such as Los Angeles, Orange, Riverside, and San Bernardino Counties. At peak construction, this would be about 35 people. These workers might commute weekly or relocate to the area temporarily, and many would not bring their families. In summary, project construction would not be expected to have a significant population impact.

Table 5.8-8 Project Labor Needs by Craft

Craft	Total # of Workers in San Diego County (1997)	Total # of Projected Workers in San Diego County (2004)	Maximum # of Workers Needed for the Project
Welders	1,980	2,210	40
Carpenters, Bricklayers, and Masons	8,450	10,790	35
Electricians	4,890	6,240	36
Ironworkers	NA	NA	23
Laborers	19,650	24,150	48
Millwrights	140	150	22
Equipment Operators	23,870	28,760	17
Plasterers/Cement Masons	700	970	6
Pipefitters	3,970	4,870	48
Sheetmetal Workers	1,640	1,710	14
Sprinklerfitters	NA	NA	9
Surveyors	990	1,230	8
Insulation Workers	110	110	16
Teamsters	NA	NA	2

Source: State of California, Employment Development Department, Labor Market Information Division, Projections March 2000. (<http://www.calmis.ca.gov>)

Construction Impacts on Housing

As stated above, approximately 10 percent of the construction workforce (a peak of 35 people) likely would come from outside the County, e.g., to fill specialized positions. Based on the availability of housing resources presented in Table 5.8-2, the local communities should be able to meet this demand without significant impact to housing vacancy rates.

Construction Impacts on Education

It is considered unlikely that many of the non-San Diego County workers would move their families and children into the area, even on a temporary basis. It is more likely that they would stay in the area during the week and return home to their families during the weekend. Therefore, negligible impacts are expected on the local school systems.

Construction Impacts on Utilities

Project construction activities are not expected to create service demands that would significantly impact local utilities (also see Section 5.4, Water Resources). Because of the minimal expected

project-related population increase during construction, no significant impacts are expected on the utility systems of the nearby communities.

Construction Impacts on Emergency and Other Public Services

Emergency services during the construction phase will be coordinated with the City of Escondido Fire and Police Departments and Palomar Hospital. Extinguishers will be available on site during “hot work” and personnel will be properly trained in their use. The project is not expected to place a significant demand on the services of the Escondido Fire Department.

Throughout the construction period, the Palomar site will be secured by a chain link security fence that will surround its entire perimeter. The Escondido Police Department is the agency responsible for emergency response. Project construction is not likely to place a significant demand on the services of the Escondido Police Department.

Project construction is not expected to place a significant demand local public social and medical services. Construction workers would be expected to obtain health insurance through their respective employers, and Palomar Energy, LLC will provide health insurance to its permanent employees.

Construction Impacts on Employment and Economy

Palomar project construction would benefit the economies of San Diego County as a whole and of the City of Escondido by providing employment to local construction workers, as well as through local expenditures by construction workers, and project expenditures for construction materials, supplies, and equipment.

Project construction also will generate secondary employment, which is comprised of indirect and induced jobs. Indirect jobs are those jobs that are created and supported through local purchasing of equipment and supplies for project construction, while induced jobs are jobs supported by local purchases made by households whose income is derived from the proposed project.

Employment multipliers for the Palomar project were derived from the Minnesota IMPLAN Group's IMPLAN Professional Input-Output (IO) economic model (SANDAG, 2001). Employment multipliers are calculated per one million dollars of industry output. According to the IMPLAN model, the construction of new utilities structures (“power plant construction, heavy construction, not elsewhere classified”) involving “general and special trade contractors primarily engaged in the construction of heavy projects” is given the standard industrial classification (SIC) codes 1500, 1600, and 1700. Establishments engaged in generation, transmission, and/or distribution of electric energy for sale are given SIC Code 4911.

Based on these SIC codes and specific economic information for the San Diego County area (built into the IMPLAN model), the indirect employment multiplier for the Palomar Energy Project was estimated to be 4.57 during construction and 0.62 during operations (Eary, 2001). In

another words, for each million dollars spent on construction, 4.57 indirect or induced jobs are estimated to be generated in San Diego County.

To estimate the amount of secondary employment generated by the project during construction, the indirect employment multiplier is applied to the construction payroll (\$67 million) and the dollar value of materials and equipment that will be purchased locally during construction (\$40 million). Based on this calculation, Palomar project construction would generate about 490 secondary jobs. This project-generated secondary employment is expected to benefit the economy of San Diego County by reducing the unemployment rate in the local workforce, rather than by additional workers moving into the area.

Construction Impacts on Fiscal Resources

Local purchasing of equipment and supplies and local spending by construction workers and their associated households also will generate income for local governments in the form of sales tax revenues. The estimated construction payroll is \$67 million (2001 dollars) over the 21-month construction period.

Based on the assumption that the average consumer spends 39 percent of his or her income on goods or services that are taxable, and applying the 7.5 percent sales tax rate in San Diego County, the Palomar project construction payroll will generate approximately \$2.0 million in sales tax revenue. In addition, there will be substantial sales tax revenue based on project construction purchases. The estimated \$40 million worth of materials and equipment purchased locally during construction would translate into approximately \$3.0 million in sales tax revenue.

5.8.2.2 Potential Operation-Related Impacts

Operation Impacts on Population

Approximately 20 full-time employees will be needed to operate the power plant facility. While all of these employees conceivably could be hired from the local labor pool, it is possible that some positions will be filled by non-local workers (e.g., more specialized positions). For the purpose of this evaluation, it is assumed that non-local workers would fill approximately five positions. These non-local employees and their dependents likely will relocate to the project area communities. This would represent an insignificant increase in local population, given the current population and projected growth noted in Table 5.8-1.

Operation Impacts On Housing

The small increase in housing demand will not affect housing vacancy rates in the communities.

Operation Impacts on Education

There will be no significant impacts to the school districts located within the project due to the small number of permanent employees. The City of Escondido imposes school impact fees at the rate of \$0.33 per square foot of a project's building space. Based on a total area of covered and

closed structures of approximately 18,000 square feet, the Palomar Energy Project's school fees would be approximately \$5,940.

Operation Impacts on Utilities

The project will not create a demand for utilities that would significantly impact local utility providers (see Sections 5.4, Water Resources, and 4.0 Safety and Reliability). The minimal project-related population growth (an estimated maximum of five employees), would not significantly impact the utilities systems of the Cities of Escondido, San Marcos, and Vista and the unincorporated areas of San Diego's North County.

Operation Impacts on Emergency and Public Services and Facilities

During plant operation, fire protection will be provided at the facility through a fire water supply and pumping system described in Section 2.4.10 (Fire Protection), portable carbon dioxide extinguishers, and appropriate training to the operations personnel. The project is not expected to place a significant demand on the services of the Escondido Fire Department.

The facility will be secured by a chain link security fence around the perimeter of the site and other areas requiring controlled access. The City of Escondido Police Department will respond in an the event of an emergency. However, project operation is not likely to place a significant demand on the services of Escondido Police Department.

Operation Impacts on Employment and the Economy

As stated above, project operations will create about 20 direct jobs (see Table 5.8-7). These direct jobs will support some secondary employment in the region. Using an IMPLAN multiplier of 0.62 (employment multiplier for a large electrical facility in San County as estimated by SANDAG staff), and estimated totals of nearly \$2.0 million per year in operations payroll and \$3.0 million per year in operations phase local expenditures, an additional three long-term jobs would be created in the region. These secondary jobs are expected to be filled locally.

Also, enhancing the available supply of reliable, competitively prices electrical power, the Palomar project will help the region avoid the economic disruptions associated with power shortages, outages, etc.

Operation Impacts on Fiscal Resources

The Palomar Energy Project is expected to generate about \$2.3 million in annual local property tax revenues, which equates to approximately \$23 million in property taxes over its first ten years of operation. Property tax revenue in San Diego County is allocated in the following percentages: 62.4 percent to schools, 13.7 percent to the County, 13.1 percent to the cities, 6.4 percent to redevelopment, 3.7 percent to special districts, and 0.7 percent to libraries (County of San Diego, Property Tax Services, Auditor and Controller, 2001). Thus, the project would generate approximately \$1.4 million per year for schools in property tax revenues.

5.8 Socioeconomics

During operations, the Palomar project is expected to generate nearly \$2.0 million in annual payroll, and to spend approximately \$3.0 million locally each year for supplies. These would generate additional sales tax revenue in the range of \$350-400,000 annually, based on the County's 7.5 percent sales tax rate. Of this 7.5 percent, approximately 0.0025 percent goes to the County, 5.75 percent goes to the state, local jurisdictions receive one percent, and the remaining portion of these funds goes to special districts (California State Board of Equalization, 2001).

5.8.2.3 Environmental Justice Screening Analysis

Executive Order 12898 requires the EPA and all other federal/state agencies receiving federal funding to identify and address disproportionately high and adverse human health or environmental effects of their programs, policies, and activities on minority populations and low-income populations. According to federal guidelines, a minority population is defined as a minority group that has a population of greater than 50 percent of the affected area's general population (EPA, 1998).

The poverty level for a family of four persons was \$12,674 in 1996. The number of individuals living within a six-mile radius of the project site with incomes below this level are identified in Table 5.8-9. As shown in Table 5.8-9, the percentage of people living under the poverty level in the study area is below the federal 50 percent criterion. Therefore, environmental impacts are not likely to fall disproportionately on low-income members of the study area communities.

Table 5.8-9 Poverty Level Profile for the Project Area

City	Number of Individuals Below Poverty Level	Percent
Escondido	12,016	11.0
San Marcos	4,214	10.9
Vista	8,230	11.2

Source: 1990 Census Data.

Escondido, San Marcos, and Vista have Caucasian populations of 64, 62, and 61 percent, respectively (San Diego Association of Governments, 2001), indicating that none of the communities as a whole has a minority population in excess of the federal 50 percent criterion. However, in order to ensure that minority "pockets" located within each community would not be disproportionately impacted by the proposed project, an evaluation was performed of minority populations by U.S. Census tract. Of the 40 census tracts located within a six-mile radius of the project site, five tracts (12.5 percent of the total) have a minority population percentage in excess of 50 percent (see Figure 5.8-2). The closest of these tracts is almost two miles east of the project site. Therefore, environmental impacts are not likely to fall disproportionately on minority populations.

Figure 5.8-2 Environmental Justice Screening Results

5.8.3 Mitigation Measures

Since the Palomar project is not expected to have significant adverse socioeconomic impacts, no mitigation is needed.

5.8.4 Significant Unavoidable Adverse Impacts

No significant unavoidable adverse socioeconomic impacts are anticipated as a result of the proposed project.

5.8.5 Cumulative Impacts

The potential for cumulative socioeconomic impacts exists when there are other projects proposed in an area that have overlapping construction schedules and/or project operations that could impact similar resources. Projects with overlapping construction schedules and/or operations collectively could result in a demand for labor that cannot be met by the project area labor pool, which could lead to an influx of non-local workers and their dependents. This population increase potentially could impact local socioeconomic resources.

There are two small (<50 MW) gas fired turbine power plant projects under construction in Escondido near the Palomar site: the CalPeak Enterprise #7 project, located at a site adjacent to the northern boundary of the Palomar site, and the RAMCO project, located about 0.5-mile northwest of the Palomar site. Both of these projects will be in operation well before the beginning of Palomar project construction. There will be no full-time employees onsite at the two small power plants, because the facilities are remotely operated. Thus, there would be no cumulative socioeconomic impacts of these two small power plants with the Palomar project.

The following paragraphs analyze the cumulative effects of the ERTC industrial park project together with the Palomar project. In order to provide the data requested by CEC Staff, the cumulative analysis delineates between effects associated with Planning Area 1 (PA 1) of the ERTC industrial park (the Palomar site) versus the remainder of the industrial park (Planning Areas 2-8).

Overall ERTC Industrial Park Construction

Industrial park construction is expected to occur between 2002 and 2008, a seven-year period as different planning areas of the industrial park are built out. Construction employment is estimated at approximately 138 workers per year between 2003 and 2008. Employment during 2002 (site preparation only) would be approximately 35-40 workers. Because of the size of the San Diego County workforce, the cumulative construction work force for the industrial park and the Palomar Energy Project would not be expected to require substantial immigration of construction workers that could lead to significant adverse socioeconomic impacts (e.g., utilities, fire protection, law enforcement, health services, education and housing).

Total construction value of the industrial park is estimated at \$68 million dollars. Local expenditures of the industrial park construction payroll and local purchases of materials and

equipment both separately and combined with Palomar project construction payroll and local materials and equipment purchases, would generate indirect employment and sales tax revenues that would benefit the local economy.

Planning Area 1 Construction Phase Earthwork

Earthwork (rough grading, blasting, etc.) for PA 1 to prepare the graded pad for power plant construction will be performed together with rough grading of the remainder of the industrial park. Material removed from PA 1 will be transported to other areas of the industrial park for use as fill material. Approximately 35-40 construction workers would be involved in the PA 1 earthwork for roughly three-months. The construction work force would be expected to be local (San Diego County), and thus there would be no significant impacts on socioeconomic conditions (population, housing, utilities, etc.). The construction payroll is estimated at \$500,000. Approximately 100 short-term indirect jobs would be created locally. Local expenditures for materials and equipment would be small for this labor-intensive element of the construction effort. Sales tax revenues from payroll expenditures would be approximately \$15,000. The socioeconomic impacts of Palomar facility construction (post-rough grading) were described in Section 5.8.2.

ERTC Industrial Park Operation

The industrial park operations phase is expected to begin in 2003, as the first phases of development are constructed and occupied by businesses. Industrial park operations would expand until buildout is complete in 2008. These development activities would create additional local employment, both directly and indirectly as a result of local payroll spending and purchases. It also would be expected to create substantial sales tax revenues and increased property tax revenues. To the extent that local employment growth leads to increased population, there also could be impacts on schools, housing supply, utilities, and governmental services.

The socioeconomic impacts of the industrial park will be described in more detail in the Environmental Impact Report (EIR) that is being prepared under the auspices of the City of Escondido. Mitigation measures for potential adverse socioeconomic impacts of the industrial park, e.g., school impact fees, will be addressed in the EIR.

The Palomar project will contribute to the local property and sales tax increases. However, because of its small permanent employment (20 people), the power plant project would be a minimal contributor to potential cumulative adverse impacts on socioeconomic conditions. The long-term socioeconomic impacts of the Palomar facility were described in Section 5.8.2.

5.8.6 LORS Compliance

Construction and operation of the Palomar project and its associated linear facilities will be conducted in accordance with the LORS pertinent to socioeconomics. The applicable LORS are discussed in Section 6.4.8.

5.8.7 Involved Agencies and Agency Contacts

By virtue of this socioeconomic impact analyses, the Palomar project has considered the potential impacts to schools, housing, employment and population, as are required by the City of Escondido for development projects.

5.8.8 Permits Required and Permit Schedule

No permits are required by any agency in the project area regarding potential socioeconomic impacts.

5.8.9 References

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